

**DESCRIPTION OF TRANSACTION
AND PUBLIC INTEREST STATEMENT**

By this Form 603 assignment application, the Commission's consent is respectfully sought for the assignment by Panora Telecommunications, Inc. ("Assignor") to T-Mobile License LLC ("Assignee") of the Personal Communications Services ("PCS") A-Block spectrum held by Assignor, as described below.

This transaction involves the assignment of spectrum only and no other assets. There are no customers or operations associated with the PCS spectrum. The assignment will complement T-Mobile current PCS A-Block spectrum in the relevant markets and augment the spectrum holdings of Assignee, enabling added capacity and improved data throughput speeds within existing coverage areas and thereby benefitting consumers. Thus, Commission approval of the proposed transaction will further enhance competition and improve the quality of services in the wireless marketplace, consistent with the public interest, convenience and necessity.

Description of the Transaction

On December 5, 2018, Assignor and Assignee entered into an agreement (the "Purchase Agreement"). Pursuant to the Purchase Agreement, Assignor intends to sell, and Assignee intends to purchase, the full spectrum bandwidth in the entire geographic area of the PCS license held by Assignor in the market ("Market") as described in Attachment A hereto (the "License").

Assignor and Assignee intend to consummate the subject transaction (the "Purchase Closing") promptly following Commission consent by "Final Order" (unless finality is waived by Assignee) and the satisfaction of certain contractual conditions.

Description of the Parties

Assignee is a wholly-owned subsidiary of T-Mobile USA, Inc. ("T-Mobile USA") and, indirectly, T-Mobile US, Inc. ("T-Mobile"), a publicly traded company, and part of the family of companies that operate under the T-Mobile® brand names. Deutsche Telekom AG, a publicly-traded German company based in Bonn, Germany ("DT"), holds a 63.37 percent interest in T-Mobile through its wholly-owned subsidiary T-Mobile Global Zwischenholding GmbH ("T-Mobile Global"). This subsidiary owns all of the equity and voting interests of T-Mobile Global Holding GmbH ("T-Mobile Holding"), which owns all of the equity and voting interests of Deutsche Telekom Holding B.V. ("DT Holding B.V."), which in turn holds the 63.37 percent interest in T-Mobile. The remaining 36.63 percent interest in T-Mobile is held by public shareholders.

Led by a management team with decades of collective experience in the telecommunications industry, T-Mobile is headquartered in Bellevue, Washington, offers nationwide wireless voice and data services to consumer and business customers and provides

service to 77.25 million subscribers.¹ The Commission has repeatedly found that Assignee and its controlling companies have the requisite character and qualifications to hold Commission authorizations.² An FCC Form 602 providing current ownership information for Assignee is on file with the Commission.³

Panora Communications Cooperative, Assignor's 100 percent parent, is an independent telephone company located in Panora, Iowa providing wireline telecommunications and wireline and fixed wireless broadband to communities located within the geographic areas covered by the License. Assignor holds the PCS license that is the subject of this transaction. The Commission has concluded that Assignor has the qualifications required by the Communications Act of 1934, as amended (the "Act") to hold Commission authorizations, and nothing has changed to disturb this conclusion. An FCC Form 602 Ownership Report providing ownership information for Assignor is on file with the Commission.⁴

Transition Issues

The transaction involves only the assignment of spectrum and does not include the transfer of any other assets, facilities or customers. There will be no loss of an existing service provider in the Market. Assignor is not providing commercial services to end-user customers on the License. Thus, there will be no discontinuance, reduction, loss or impairment of service to customers.

Public Interest Statement

Section 310(d) of the Act requires that the Commission determine whether the transaction presented herein is consistent with the public interest, convenience and necessity. To make that assessment, the Commission generally considers four factors: "(1) whether the transaction would result in the violation of the Act or any other applicable statutory provision; (2) whether the

¹ See T-Mobile Investors, News & Events, Oct. 31, 2018, found on the T-Mobile website at the following link: <https://investor.t-mobile.com/news-and-events/t-mobile-us-press-releases/press-release-details/2018/T-Mobile-Delivers-Its-Best-Financials-Ever-and-Strong-Customer-Growth-in-Q3/default.aspx>

² See, e.g., *Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Transfer of Control of Licenses and Authorizations*, Memorandum Opinion and Order and Declaratory Ruling, 28 FCC Rcd 2322, 2330 ¶ 19 (WTB/IB 2013) ("*T-Mobile-MetroPCS Order*"); *Applications of T-Mobile USA, Inc. and SunCom Wireless Holdings, Inc.*, Memorandum Opinion and Order, 23 FCC Rcd 2515, 2519-20 ¶ 10 (2008).

³ See FCC File No. 0008150785. Based on prior guidance from the Wireless Telecommunications Bureau, the Form 602 filing for T-Mobile USA satisfies the ownership reporting requirements of Sections 1.919 and 1.2112(a) of the Commission's rules for its wholly-owned subsidiaries, including Lessee. See 47 C.F.R. §§ 1.919, 1.2112(a); see also *Wireless Telecommunications Bureau Answers Frequently Asked Questions Concerning Reporting of Ownership Information on FCC Form 602*, Public Notice, 14 FCC Rcd 8261, 8264-65 (WTB 1999) ("Form 602 FAQ's").

⁴ See FCC File No. 0008092645.

transaction would result in a violation of Commission rules; (3) whether the transaction would substantially frustrate or impair the Commission's implementation or enforcement of the Act or interfere with the objectives of that and other statutes; and (4) whether the transaction promises to yield affirmative public interest benefits.”⁵ As part of its public interest analysis, the Commission reviews whether the transaction will have anti-competitive effects and, if so, whether there are overriding public interest benefits that would support a grant.

The Commission has determined that transfer and assignment applications that demonstrate on their face that a transaction will yield affirmative public interest benefits and will neither violate the Act or Commission rules nor frustrate or undermine policies and enforcement of the Act do not require extensive review and expenditures of considerable resources by the Commission.⁶ The instant application meets this standard.

The proposed transaction will yield substantial public interest benefits. Importantly, the instant assignment will enable deployment of the spectrum and complement T-Mobile's current PCS A-Block spectrum holdings in MTA032-Des Moines-Quad Cities under KNLF263, and BTA111-Des Moines, IA in particular under WPOH984, restoring to T-Mobile 10 MHz of PCS A-Block spectrum at 1860-1865 and 1940-1945 MHz in one partial Iowa county in BTA111 that was originally licensed to T-Mobile under KNLF263 and was later included in WPOH984. Pursuant to an earlier transaction, T-Mobile's predecessor in interest, Iowa Wireless Services Holding Corporation (“IWSHC”), partitioned a portion of WPOH984 to Assignor, which became license WPOM988.⁷ The purpose of that assignment was to enable Assignor to expand its service

⁵ *SBC Communications Inc. and BellSouth Corp.*, Memorandum Opinion and Order, 15 FCC Rcd 25,459, 25,464 ¶ 13 (WTB/IB 2000) (citation omitted). See also, e.g., *Applications of SoftBank Corp., Starburst II, Inc., Sprint Nextel Corp., and Clearwire Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd 9642, 9650 ¶ 23 (2013); *Applications of Cellco Partnership d/b/a Verizon Wireless and SpectrumCo LLC and Cox TMI, LLC for Consent to Assign AWS-1 Licenses*, Memorandum Opinion and Order and Declaratory Ruling, 27 FCC Rcd 10,698, 10,710 ¶ 28 (2012); *Application of AT&T Inc. and Qualcomm Inc. for Consent to Assign Licenses and Authorizations*, Order, 26 FCC Rcd 17,589, 17,598-99 ¶ 23 (2011).

⁶ See, e.g., *Applications of SoftBank Corp., Starburst II, Inc., Sprint Nextel Corp., and Clearwire Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd at 9682 ¶ 102 (“[U]nder the Commission's sliding scale approach, where potential public interest harms appear unlikely . . . we will accept a lesser showing of public interest benefits.”).

⁷ See assignment application File No. 0000045884 (filed 11/24/1999 and consummated 03/09/2000). License WPOH984 itself was created when T-Mobile's predecessor Western PCS I License Corporation partitioned a portion of its PCS A-Block license KNLF263, the original PCS A-Block license for MTA032, to IWSHC's predecessor Iowa Wireless Service LP. See assignment application File No. 50040CWAL98 (amendment filed 03/02/1998 and consummated 03/02/1998). License WPOH984 was the subject of a *pro forma* transfer of control by INS Wireless, Inc. (“INS”) to T-Mobile Central LLC in connection with T-Mobile's purchase from INS of its 46.4 percent equity interest in Iowa Wireless Services, LLC, the parent of IWSHC, on Jan. 2, 2018, see *pro forma* transfer notification 0008052619 filed Jan. 31, 2018.

offerings to bring advanced wireless services to rural underserved locations. Assignor acquired the License in connection with its plans to provide wireless telecommunications services to end-user customers under the “iWireless” brand name.⁸ In light of projected network deployment costs and other financial and technical challenges faced by very small wireless operators, Assignor recently decided to exit the wireless broadband business. The instant assignment of the subject spectrum to Assignee, along with concurrent assignments to T-Mobile of additional PCS and AWS spectrum (also originally licensed to T-Mobile) from other independent telephone companies (“ITCs”) that have departed the wireless broadband business,⁹ will allow the assigned spectrum that is currently unused to be deployed by T-Mobile to provide wireless services to the public.

Having access to the A-Block spectrum in complete counties and in a larger portion of both MTA032 and BTA111 will enhance T-Mobile’s ability to serve these integral economic units with an undifferentiated product offering. More generally, the increase in spectrum in the relevant county through the instant assignment will allow T-Mobile to deploy LTE service more broadly and robustly than is currently possible using its existing spectrum holdings in the Market. Consumer demand for mobile broadband is growing at an unprecedented rate.¹⁰ For example Cisco reports that U.S. consumer mobile data use grew 44 percent in 2016,¹¹ and Cisco projects that U.S. mobile data traffic will grow 5-fold from 2016 to 2021.¹² T-Mobile will use the additional spectrum to meet this growing demand. The additional spectrum also will enable added capacity

⁸ “iWireless” was the brand name of the high quality and innovative wireless telecommunications services provided by IWSHC directly to subscribers or through a network of thirty or ITCs, including Assignor, operating under the common iWireless brand name and using switching, billing and other platforms and services provided by IWSHC and, following the Jan. 2, 2018 *pro forma* transfer of control of IWSHC to T-Mobile, by T-Mobile itself. Following the transfer of control of IWSHC to T-Mobile, T-Mobile has integrated IWSHC’s sites and customers into the family of T-Mobile companies and transitioned the iWireless service to the T-Mobile® brand.

⁹ See pending applications 0008470617 (assignment of PCS spectrum from Webster-Calhoun Cooperative Telephone Association to Assignee), 0008470450 (assignment of PCS spectrum from Carroll County Wireless, L.L.C. to Assignee), 0008470632 (assignment of AWS spectrum from Hamilton County Wireless LLC to Assignee), 0008470609 (assignment of PCS spectrum from The Guthrie Group, L.L.C. to Assignee), 0008470476 (assignment of PCS and AWS spectrum from Lehigh Valley Cooperative Telephone Association to Assignee), 0008470534 (assignment of PCS spectrum from Marne & Elk Horn Telephone Company to Assignee).

¹⁰ See, e.g., *Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, Including Commercial Mobile Services*, Seventeenth Report, 29 FCC Rcd 15311, 15356 ¶ 91 (WTB 2014) (“Rising consumer demand for mobile broadband is increasing service providers’ need for spectrum at an unprecedented rate.”)

¹¹ Cisco Systems, Inc., *VNI Mobile Forecast Highlights, Global – 2016 Year in Review*, http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html#~Country, (last visited Dec. 18, 2018).

¹² Cisco Systems, Inc., *VNI Mobile Forecast Highlights, Global – 2016-2021*, http://www.cisco.com/assets/sol/sp/vni/forecast_highlights_mobile/index.html#~Country, (last visited Dec. 18, 2018).

and improved data throughput speeds, helping improve network reliability and coverage in the Market. These benefits will allow T-Mobile to become a stronger competitor in the wireless marketplace.

Further, the proposed assignment of license will not result in any violation of the Act or any other applicable statutory provision, and the proposed license assignment fully complies with all Commission rules and regulations and requires no waivers. Grant of the proposed transaction will not frustrate or impair the Commission's implementation or enforcement, or the objectives of the Act or other statutes.

Finally, the License was not subject to any bidding credit.¹³ Further, the License is not subject to any installment financing or other restrictions on ownership based on designated entity status. Thus, Commission approval of the assignment would not result in any unjust enrichment issues.¹⁴

Spectrum Aggregation/Competition Analysis

As discussed below, this assignment -- which will not reduce the number of competitors, service offerings or customer choices in any market -- does not raise any spectrum aggregation or competitive concerns.

T-Mobile, post-consummation, will hold 100 MHz of all attributable spectrum (and 40 MHz of attributable spectrum below 1 GHz) in the 1 county of which a portion is subject to the instant assignment (*see Exhibit 2*). These totals include the spectrum under the instant assignment but not overlapping Sprint spectrum that is the subject of the pending applications seeking FCC approval for the transfer of control to T-Mobile of FCC licenses, authorizations and leases held by subsidiaries of Sprint Corporation and the *pro forma* transfer of control of FCC licenses, authorizations and leases held by subsidiaries of T-Mobile (the "Sprint Merger").¹⁵ Thus, T-Mobile's spectrum aggregation following consummation of the instant assignment will be well below current levels requiring further competitive review (including the one-third low-band spectrum holdings threshold) in the single county included in the License.¹⁶ Moreover, there are

¹³ 47 C.F.R. § 1.2111(b)(2)(i)(E). As explained *infra* note 7, License WPOM988 was partitioned by IWSHC from WPOH984 to Assignor, and WPOH984 itself was partitioned by Assignee's predecessor from KNLF263 to IWSHC's predecessor. KNLF263 was not awarded with any bidding credits.

¹⁴ *See* 47 C.F.R. § 1.2111.

¹⁵ *See* ULS File No. 0008224209 (Lead Application). It is anticipated that the instant assignment transaction will close before the Sprint Merger and that the parties would amend the Sprint Merger filings to update T-Mobile's spectrum aggregation charts for that transaction in the Market covered by the instant License. Any spectrum aggregation issues related to Sprint's spectrum therefore are more appropriately addressed in the merger docket.

¹⁶ *See Implementation of Section 6002(b) of the Omnibus Budget Reconciliation Act of 1993; Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, Including Commercial Mobile*

numerous other carriers holding CMRS spectrum in the Market in which Assignee is acquiring spectrum (*see* Exhibit 3), which will ensure that a high degree of competition continues to exist.

This assignment does not raise any competitive or other public interest concerns. As discussed above, there will be no loss of an existing service provider in the Market subject to the transaction at issue. As also noted above, Assignor is not using the License to provide commercial service to end-user customers. Thus, there will be no discontinuance, reduction, loss or impairment of service to end-user customers or a reduction in the number of actual competitors providing service; to the contrary, T-Mobile's acquisition of the spectrum will enable its deployment to serve the public.

Foreign Ownership of Assignee

As noted above, Assignee is a wholly-owned subsidiary of T-Mobile USA. T-Mobile USA in turn is a wholly owned direct subsidiary of T-Mobile, a U.S.-organized entity. DT, a publicly-traded German corporation, holds a 63.37 percent interest in T-Mobile and, indirectly, in T-Mobile USA through the intermediate companies described above.

On December 30, 2013, the Commission granted, subject to certain conditions, T-Mobile's Petition for Declaratory Ruling under Section 310(b)(4) of the Communications Act on behalf of its subsidiaries and affiliates holding common carrier radio licenses that it would not serve the public interest to prohibit more than 25 percent foreign ownership in T-Mobile.¹⁷ That ruling also specifically permitted: (i) the specific foreign entities with a non-controlling interest in T-Mobile (*i.e.*, Kreditanstalt für Wiederaufbau and the Federal Republic of Germany ("FRG")), to increase their equity and/or voting interests, at some future time up to and including a non-controlling indirect 49.99 percent equity and/or voting interest; and (ii) the specific foreign entities with a controlling interest in T-Mobile (*i.e.*, DT Holding B.V., T-Mobile Holding, T-Mobile Global and DT) to increase their interests, at some future time, up to and including 100 percent of T-Mobile's equity and/or voting interests.¹⁸ T-Mobile's petition was filed in connection with an internal corporate reorganization that resulted in the insertion of a new direct parent company, DT Holding B.V., a limited liability company organized in the Netherlands, into T-Mobile's ownership chain. That declaratory ruling includes all authority available under the rules, including the standard

Services, Twentieth Report, FCC 17-126, ¶ 39 (rel. Sept. 27, 2017) ("*20th Wireless Competition Report*"); *Policies Regarding Mobile Spectrum Holdings*, Report & Order, 29 FCC Rcd 6133 ¶ 81 (2014) ("*Mobile Spectrum Holdings Order*"). Consistent with the *20th Wireless Competition Report* and the *Mobile Spectrum Holdings Order*, the parties understand that the initial spectrum screen is 240 MHz for all spectrum (*i.e.*, approximately one-third of 715.5 MHz total included spectrum) and 68 MHz for below-1-GHz spectrum (*i.e.*, one-third of 204 MHz total available and suitable spectrum below 1 GHz).

¹⁷ See File No. ISP-PDR-20130924-00006 (filed Sept. 24, 2013 and supplemented Oct. 24, 2013); *International Authorizations Granted*, Public Notice, Report No. TEL-01650, DA 14-24 (rel. Jan. 9, 2014).

¹⁸ *Id.*

terms and conditions set forth in Section 1.5004 (formerly Section 1.994) of the rules, and thus extends to Assignee (among other licensee subsidiaries of T-Mobile USA) and the type of wireless service license that is the subject of the instant assignment to Assignee. The foreign ownership in the licensees as approved has not materially changed since December 30, 2013 and will not be affected by the instant transaction.

Compliance with DOJ/FBI/DOD Agreement by Assignee

Assignee also requests that the Commission condition its grant of the assignment of the License on compliance with the provisions of the Agreement entered into on January 12, 2001, as amended, between DT, VoiceStream Wireless Corporation and VoiceStream Wireless Holding Corporation, on the one hand, and the Department of Justice and the Federal Bureau of Investigation on the other (the “Agreement”).¹⁹ The Agreement prescribed that the following specific language be included in the conditional grant of interests in FCC licenses in the specific context of the Agreement:

It is further ordered, that the authorizations and the licenses related thereto are subject to compliance with the provisions of the Agreement attached hereto between Deutsche Telekom AG, VoiceStream Wireless Corporation, VoiceStream Wireless Holding Corporation on the one hand, and the Department of Justice (the “DOJ”) and the Federal Bureau of Investigation (the “FBI”) on the other, dated January 12, 2001, which Agreement is designed to address national security, law enforcement, and public safety issues of the FBI and the DOJ regarding the authority granted herein. Nothing in the Agreement is intended to limit any obligation imposed by Federal law or regulation including, but not limited to, 47 U.S.C. § 222(a) and (c)(1) and the FCC’s implementing regulations.²⁰

Assignee hereby requests that the Commission impose a similar condition on the grant of the assignment of the License.

¹⁹ See *Applications of VoiceStream Wireless Corp., Powertel, Inc. and Deutsche Telekom, AG*, Memorandum Opinion and Order, 16 FCC Rcd 9779, Appendix B (2001) (Agreement between DT, VoiceStream Wireless Corporation, VoiceStream Wireless Holding Corporation, the Department of Justice and the Federal Bureau of Investigation dated Jan. 12, 2001). The Agreement was amended in 2008 to add the Department of Homeland Security as a party and also amended in 2013 in connection with license transfers associated with the T-Mobile/MetroPCS transaction. See *Applications of T-Mobile USA, Inc. and SunCom Wireless Holding, Inc.*, Memorandum Opinion and Order, 23 FCC Rcd 2515, Appendix B (2008); *T-Mobile/MetroPCS Order*, 28 FCC Rcd at Appendix B, Amendment No. 2.

²⁰ *Applications of VoiceStream Wireless Corp., Powertel, Inc. and Deutsche Telekom, AG*, 16 FCC Rcd at Appendix B, Exhibit A (Condition to FCC Licenses).

Conclusion

Applicants respectfully submit that Assignee is qualified to hold the License and that Commission approval of the requested assignment will serve the public interest, convenience and necessity. Accordingly, Assignor and Assignee respectfully request that the Commission grant the instant application expeditiously and without conditions.

ATTCHMENT A

License

FCC Call Sign	Licensed Area/Counties	Channel Block(s)/Licensed Frequencies (MHz)	Exp. Date
WPOM988	MTA032-Des Moines-Quad Cities (partial), ULS submarket 134, includes Guthrie County, IA (partial county and as defined by Iowa Study Area 126 (ISA126) and shown in the map set forth in ULS)	PCS A-Block 1860-1865 and 1940-1945 MHz	06/23/2025